

San Jose



CAPITAL
OF
SILICON VALLEY



PROGRESS HIGHLIGHTS III

Economic Development Strategy

Getting Families Back to Work

NOVEMBER 2006



About This Document

In August of 2003, the San Jose Mayor and City Council held five days of “Getting Families Back to Work” study sessions, where economic and community stakeholders recommended ways to improve San Jose’s business climate and competitiveness. Those sessions led to immediate adoption of specific Council directives, and provided valuable input to San Jose’s comprehensive Economic Development Strategy, which was adopted by the City Council unanimously in November 2003.

In August 2004 and in October 2005, the Mayor and City Council hosted follow-up “Getting Families Back to Work” study sessions to review progress implementing the Economic Development Strategy and Council directives, and to highlight priorities. For each of the 2004 and 2005 study sessions, the Office of Economic Development produced a “Progress Highlights” report that identified the top accomplishments in implementing each of 15 Economic Strategy Initiatives over the prior 12 months (see www.sjeconomy.com).

This Progress Highlights report represents the third in the series. Like its predecessors, this document highlights key accomplishments during the prior twelve months (November 2005-October 2006). In addition, for each Strategy Initiative, the document identifies the three most significant accomplishments since the 2003 adoption of the Economic Development Strategy, and the key issues and priorities for the next two years.

Economic Development in San Jose is now a city-wide business. More than 120 professional staff from 18 City Departments and the Redevelopment Agency have helped implement more than 160 Council Directives and Economic Strategy projects over the last three years.

Prepared by

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MILESTONES		
	February-July 2003	Interviews, Focus Groups, Research
	August 2003	“Getting Families Back to Work” Study Session 1
	September 2003	Council Adopts GFB2W Directives
	November 2003	Council Adopts Economic Development Strategy
	October 2003-July 2004	Implementation
	August 2004	GFB2W Study Session 2, First Progress Review
	September 2004-September 2005	Implementation
	October 2005	GFB2W Study Session 3, Second Progress Review
	November 2005-October 2006	Implementation
	November 2006	GFB2W Study Session 4, Third Progress Review



As the **Capital of Silicon Valley**, and
the largest city in the world's leading
region for innovation,

San Jose is...

A Global Gateway, a cosmopolitan,
international city for leading businesses
and talent from around the world

A Creative Community that pioneers
innovation within and across technology
and business, culture and society

An Entrepreneurial Environment where
people from all walks of life start and grow
companies that achieve their dreams

A Tech-Savvy City that uses and showcases
technology to improve daily life

A Place of Opportunity, where residents find
a range of rewarding employment opportunities
and support to participate in the economy

World's Most Livable Big City, with diverse
and distinctive qualities of life!



15 STRATEGIC INITIATIVES

Global Gateway

1. Build a World-Class Airport Facility and Air Services.
2. Forge Connections to Innovation Regions Globally for Mutual Benefit.

Creative Community

3. Develop Strategic Partnerships with San Jose State and Other Universities to Drive Innovation and Economic Impact.
4. Evolve and Position Downtown as a Unique Creative and Cultural Center of Silicon Valley.

Entrepreneurial Environment

5. Support Start-Up and Growth of Local Businesses, Small and Large, in Tech as well as Non-Tech Fields.
6. Improve Speed, Consistency and Predictability of the Development Review Process, and Reduce Costs of Operating in San Jose.

Tech-Savvy City

7. Make San Jose a Tech-Savvy City; Lead the Way in Using Technology to Improve Daily Life.

Place of Opportunity

8. Diversify San Jose's Economic Base and Preserve/Create Middle-Income Jobs.
9. Prepare Residents to Participate in the Region's Economic Opportunity, from K-12 to Lifelong Learning.

World's Most Livable Big City

10. Continue Emphasis on Developing New Housing, Including New Housing Types in a Variety of Neighborhood Settings.
11. Revise Key Land Use and Transportation Policies to Reflect the New Realities of the San Jose Economy.
12. Encourage Sporting Teams, Events, and Facilities, Professional as Well as Amateur.
13. Develop Retail to Full Potential, Maximizing Revenue Impact and Neighborhood Livability.

Capital of Silicon Valley

14. Communicate a Compelling, Consistent Community Identity for San Jose.
15. Engage Private-Sector Leadership for San Jose's Economic Strategy.

GLOBAL GATEWAY

Strategy #1: Build a World-Class Airport Facility and Air Services

PROGRESS HIGHLIGHTS: Last 12 Months

- Completely redesigned the airport's capital improvement program to bring more new facilities online faster and less expensively, and gained approval for \$1.5 billion capital development program.
- Approved one of the nation's largest airport design-build contracts ever awarded, which will save time and money compared with other approaches.
- Launched effort to establish framework for a new lease and operating agreement between the City and its airline business partners.
- Approved a new air service incentive program that waives airline fees for up to 12 months for any carrier that begins service to a qualifying destination.



North Concourse — Interior

MAJOR ACCOMPLISHMENTS: Last Three Years



- Completed main airport access improvement projects: 880/Coleman interchange, 87/Skyport entrance to airport, and Route 87 freeway upgrade.
- Purchased 75 acres of property near the airport for parking, rental car, and other economic development uses.
- Created the Airport Public Art Master Plan, the first civic public art initiative committed to art and technology on a large scale.

FUTURE ISSUES AND PRIORITIES

- Increasing passenger activity and maintaining efficient airport operations during construction
- Increasing both domestic and international air service to key destinations, rallying corporate support
- Implementing the planned interim uses of the former FMC property for public parking, construction lay down, rental car storage and appropriate economic development uses

GLOBAL GATEWAY

Strategy #2: Forge Connections to Innovation Regions Globally for Mutual Benefit

PROGRESS HIGHLIGHTS: Last 12 Months

- Hosted the Global Leadership Forum on Economic and Cultural Development to showcase San Jose/Silicon Valley to 16 world cities and share lessons learned.
- Recognized the 20th anniversary of the Dublin-San Jose relationship by hosting Dublin's leadership visit and making reciprocal visit by San Jose Sister City delegation to Dublin.
- Assisted airport with recruiting efforts for international air service to Europe.
- Set stage for new bilateral relationship between San Jose State University and universities in East England and Dublin.
- Conducted economic development mission to East England, Dublin, and Amsterdam to forge stronger connections and benchmark peer progress.

MAJOR ACCOMPLISHMENTS: Last Three Years

- Hosted more than 1,000 international business, government, media, and university visitors to San Jose to learn about the economy and community.
- Signed Economic Partnership agreement with Cambridge/East England—a new model to expand business, university, and cultural linkages.
- Executed economic development missions to six global innovation regions and technology centers to develop partnering potential and promote San Jose.

FUTURE ISSUES AND PRIORITIES

- Securing tangible benefits from current and future Economic Partnership and Sister City agreements.
- Rethinking citywide protocol function to meet growing demand
- Thinking and acting like a global city across all city functions



Global Leadership Forum Participants From 17 International Cities

CREATIVE COMMUNITY

Strategy #3: Develop Strategic Partnerships with San Jose State and Other Universities to Drive Innovation and Economic Impact

PROGRESS HIGHLIGHTS: Last 12 Months

- Joint Planning effort for the South Campus District initiated in January with Council adoption of Memorandum of Understanding.
- Created the Faculty Homeownership program to aid new SJSU faculty recruits; the program is patterned after San Jose’s successful Teacher Housing Program.
- Launched the Public Sector Career Initiative to help develop and recruit diverse young people for local government careers, and to provide learning opportunities for City employees at SJSU.
- CommUniverCity service learning collaborative involved 340 students and 24 SJSU faculty in the Five Wounds/ Brookwood Terrace SNI neighborhood.
- Held successful ZeroOne San Jose Festival of Art on the Edge, with City and University serving as catalytic “Visionary” partners.

EIGHT HIGH-PRIORITY PROJECTS FOR SAN JOSE STATE UNIVERSITY AND THE CITY

Public Sector Career Initiative

South Campus District Plan

Integrated Wireless Infrastructure

ZeroOne San Jose

CommUniverCity Service Learning

SJSU 150th Celebration

Faculty Home Ownership Program

Physical Integration of SJSU & Downtown

MAJOR ACCOMPLISHMENTS: Last Three Years

- Formed SJSU-City Executive Team to facilitate communication and collaboration among senior professional leadership of university and city.
- Produced “Beyond MLK: A Framework for City-University Collaboration,” which outlines shared goals and themes for strengthened partnership.
- Identified and launched an initial set of eight collaborative projects that are high-priority for both institutions.
- The Silicon Valley Workforce Investment Network developed training partnerships with SJSU Hospitality School and National Hispanic University.

FUTURE ISSUES AND PRIORITIES

- Determining new collaborative projects beyond the initial set of eight
- Jointly raising visibility of the City and SJSU on the national/international level
- Keeping the South Campus District workplan on track with full stakeholder involvement and support

CREATIVE COMMUNITY

Strategy #4 Evolve and Position Downtown as a Unique Creative and Cultural Center of Silicon Valley



Downtown San Jose, Including Digital Rendering of Planned Projects

(Source: 1stACT Silicon Valley)

PROGRESS HIGHLIGHTS: Last 12 Months

- Assisted with the opening of 20 retail businesses and the planning process for 21 retail businesses Downtown.
- Supported new and improved signature events Downtown that attract external visitors and media, including ZeroOne San Jose, Jazz Festival, International Mariachi Festival, Cinequest, Tour of California, San Jose Grand Prix, and Rock N' Roll Half Marathon.
- Supported Institute of Contemporary Art and Anno Domini in creation of their new homes on South First Street.
- Created a Downtown Office Recruitment Program to support Downtown office brokers and property owners in attracting employers.

MAJOR ACCOMPLISHMENTS: Last Three Years

- Assisted with the opening of 80 retail, restaurant, arts/entertainment businesses Downtown.
- Increased convention activity by creation of Team San Jose, improving price competitiveness of Convention Center, opening of South Hall, and diversifying convention/meeting business.
- Assisted 30 businesses and property owners through the Façade Improvement and Unreinforced Masonry Programs, for a total public investment of \$1.9 million.
- Initiated first wave of high-rise housing Downtown.

FUTURE ISSUES AND PRIORITIES

- Adding new retail to the downtown inventory through new mixed-use projects and rehabilitation
- Developing critical mass of residents living in Downtown high-rises
- Increasing employment Downtown by corporate headquarters, business services, and start-ups
- Designing and funding an outstanding Downtown BART station and expanded Convention Center

ENTREPRENEURIAL ENVIRONMENT

Strategy #5 Support Start-up and Growth of Local Businesses, Small and Large, in Tech as well as Non-tech Fields

PROGRESS HIGHLIGHTS: Last 12 Months

- Facilitated location and expansion of medium-to large-sized companies in North San Jose and Edenvale, including Epson Electronics, Force 10, AlSCO and G&K, IBM, VNUS Medical Technologies, and Electroglas.
- Served more than 550 small businesses through our local workforce investment network.
- Completed a \$1.6 million investment in a Tenant Improvement and Specialized Equipment Acquisition Program for the San Jose BioCenter, and supported expansion of Edison Pharmaceuticals.
- eBay broke ground on 220,000 square foot building, the first new construction in North San Jose since the adoption of the Economic Development Strategy.

MAJOR ACCOMPLISHMENTS: Last Three Years

- A record 5,864 vouchers processed since 2003 provided benefit to local companies from Enterprise Zone financial incentives.
- Provided tax relief for small businesses operating in less than 3,000 square feet, benefiting 86 small businesses.
- Implementation of Hitachi Project, a landmark revitalization effort to convert older industrial to housing and retail uses that will result in 3.6 million square feet of industrial use, 2,900 housing units and up to 460,000 square feet of retail space.

FUTURE ISSUES AND PRIORITIES

- Determining best approach for creating the Edenvale Bioscience Incentive Zone—a cluster of bioscience companies in South San Jose
- Interdepartmental process improvement review of small business services
- Overseeing start-up operations of Catalyst Fund, a new public-private business investment fund



ENTREPRENEURIAL ENVIRONMENT

Strategy #6 Improve Speed, Consistency, Predictability of the Development Review Process and Reduce Costs of Operating in San Jose

PROGRESS HIGHLIGHTS: Last 12 Months

- Created the Industrial Tools Installation Program, an interdepartmental team effort to streamline approval for installation of new industrial tooling and expedite companies' ability to realize return on the investment.
- Amended key Industrial Zoning Code provisions, changing uses from Conditional to Special and transferring authority to the Director of Planning from the Planning Commission.
- Extended the Small Business Tax Incentive Program until November 30, 2007.
- Developed a Small Business Permit Process Overview document, available in several languages.
- Developed Plan Review tracking score card system to provide reliable project goal and status information. Implemented real time Development Center wait time information available over the internet.

MAJOR ACCOMPLISHMENTS: Last Three Years

- Implemented the "One Start" Development Center approach to service delivery in the new City Hall to provide assistance through a single customer service function.
- Instituted the Small Business Ambassador program to improve the experience of small businesses with the planning and permitting process.
- Since the inception of the Special Tenant Improvement program in August of 2002, permits valued at \$136 million, affecting 6.1 million square feet and 9,745 jobs have been processed.



FUTURE ISSUES AND PRIORITIES

- Implementing a scalable resource strategy to always be on time for plan review and permit issuance, regardless of workload fluctuations
- Completing Customer Assistance Network to identify, track and assist high-risk projects or customer service concerns
- Implementing new State Building and Fire Codes including training, information and policy updates, and local amendments consistent with surrounding jurisdictions

TECH SAVVY CITY

Strategy #7 Make San Jose a Tech-Savvy City; Lead the Way in Using Technology to Improve Daily Life.

PROGRESS HIGHLIGHTS: Last 12 Months

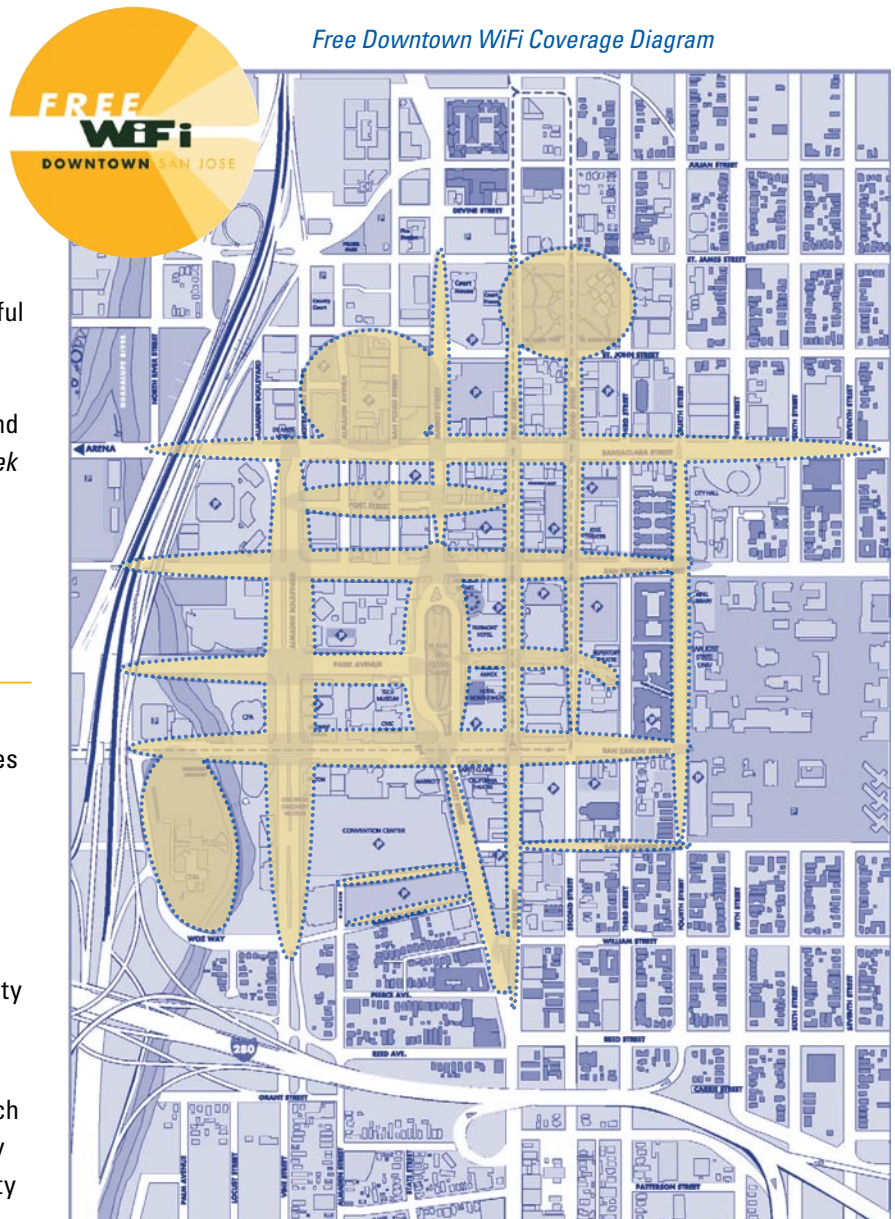
- Played a leadership role in Wireless Silicon Valley—the largest group of government agencies ever assembled for a wireless project.
- Expanded the free outdoor Downtown Wireless Network, covering the entire Downtown core with Wifi coverage without any ongoing operational costs to the City.
- Completed the installation of a consolidated utility billing system that provides residents with the ability to access account information and service opportunities online or by telephone.

MAJOR ACCOMPLISHMENTS: Last Three Years

- Achieved 100% residential broadband service coverage; every home has access to the Internet through cable or DSL.
- Through public-private partnership, completed successful pilot of free outdoor WiFi downtown, with 99.9% system reliability, 75-100 daily log-ins, and national recognition in *Newsweek* magazine.
- Installed VOIP network and wireless service in City Hall.

FUTURE ISSUES AND PRIORITIES

- Offering a portfolio of wireless services for residents, businesses and government agencies to support diverse communication needs
- Assembling a comprehensive communications strategy that provides a solid foundation for city services and applications
- Further enhancing the City's Internet-based applications which provide residents with efficiency and a greater sense of community



PLACE OF OPPORTUNITY

Strategy #8 Diversify San Jose's Economic Base and Preserve/Create Middle-Income Jobs

PROGRESS HIGHLIGHTS: Last 12 Months

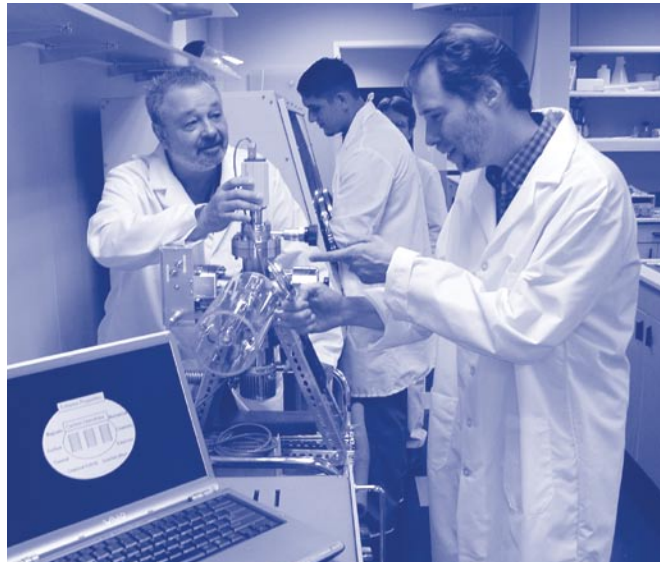
- Designed and implemented customized training program for Hilton Hotels, training more than 80 low-wage earners and placing them on career paths towards higher paying and full-time positions.
- Designed and implemented customized training program for nurses and other allied health professions for Kaiser and Valley Medical.
- Launched the planning phase of the Electronic Transportation Development Center to create a place where small and established companies can design, develop, prototype and commercialize alternative fuel and hybrid vehicles.
- Continued support for new business incubator program, with 18 start-ups at the San Jose BioCenter, nine companies at the Software Business Cluster, 22 companies at the Environmental Business Cluster, and 29 companies/organizations at the U.S. Market Access Center.

MAJOR ACCOMPLISHMENTS

- Retention and expansion of eBay into North San Jose resulted in the addition of 2,500 employees to date.
- The relocation of IBM to North San Jose from Hitachi site retained and increased employee base by 800 to date.
- Created successful customized training programs for employers in health care, retail, hospitality, and software.
- Adopted research-based framework for evaluating potential conversions of employment lands to other uses.

FUTURE ISSUES AND PRIORITIES

- Attracting and supporting companies in emerging areas like energy and environment
- Continuing customized training initiatives for employers in high-growth industries, including hospitality, retail and health care
- Preserving lands for heavy and light industrial uses



PLACE OF OPPORTUNITY

Strategy #9 Prepare Residents to Participate in the Region's Economic Opportunity, from K-12 to Lifelong Learning

PROGRESS HIGHLIGHTS: Last 12 Months

- The only local Workforce Investment Board to exceed all 15 Department of Labor performance indicators for youth, adult and dislocated worker clients.
- Placed more than 300 adult clients into training
- Served more than 95,000 job seekers at three One-Stop Centers.
- Conducted labor market research on bioscience, small business development, construction and trades, homeland security and youth employment.



New San Jose One-Stop at Parkmoor

SILICON VALLEY WORKFORCE INVESTMENT NETWORK July 05 - June 06	
Clients Served per Month	8,300
% of Enrolled Clients Placed in Jobs	85%
% of Enrolled Clients Employed 6 Months After Initial Placement	86%

MAJOR ACCOMPLISHMENTS: Last Three Years

- Launched "Silicon Valley/South Bay Saves" financial literacy campaign to assist lower-income residents.
- Met or exceeded monthly goal of serving 4,000 people per month at One-Stop centers.
- Placed 70% of Workforce Investment Network clients in target growth industries: software, health care, bioscience, hospitality, public sector, construction and trades, financial services, and retail.
- Provided personal and academic growth opportunities to more than 30,000 students at 227 sites through the San Jose After School program.

FUTURE ISSUES AND PRIORITIES

- Continue exceeding all 15 Department of Labor Performance Indicators
- Placing 75% of enrolled clients in high-growth industries
- Opening new Parkmoor One-Stop Center and successfully deploying Mobile One-Stop to serve adults and youth in underserved areas

WORLD'S MOST LIVABLE BIG CITY

Strategy #10 Continue Emphasis on Developing New Housing, Including New Housing Types in a Variety of Neighborhood Settings

PROGRESS HIGHLIGHTS: Last 12 Months

- Received an A+ in 2006 from the Bay Area Housing Profile for producing more than 100% of its affordable housing “fair share.”
- After nearly 15 years of policy development, City Council approved a pilot program allowing the limited development of secondary residential units in San Jose.
- Three high-rise residential projects took advantage of the incentive program — two are under construction (City Heights and Axis), one will start in January 2007 (360 Residences). Started construction on Keystone Place and One East Julian in northern Downtown core area.
- Completed the Art Ark, a 148-unit artist housing project in the Spartan-Keyes District, for a December opening.

MAJOR ACCOMPLISHMENTS:

Last Three Years

- Since the San Jose Teacher Homebuyer Program (THP) was launched in 1999, the City has helped more than 600 teachers purchase their first homes.
- Surpassed aggressive goal to finance 10,000 new affordable housing units, completing or beginning construction on 11,543 units in last eight years.
- Since 2003, the Housing Department received funding for every application it submitted through State Proposition 46 program for affordable housing, totaling nearly \$13.6 million.
- Completed or secured approvals for 2,500 housing units in Greater Downtown.

FUTURE ISSUES AND PRIORITIES

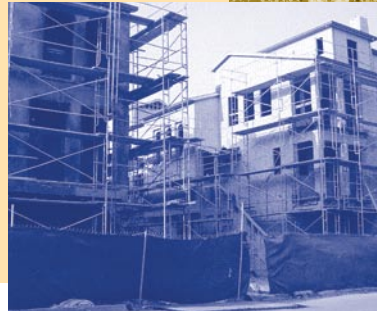
- Supporting development of affordable housing for the chronically homeless
- Securing funding to finance new affordable housing
- Sustained facilitation of high density housing Downtown, and achieving at least 2,500 residences

DOWNTOWN HIGH-RISE RESIDENTIAL BUILDINGS

*Downtown
high rises under
construction*



City Heights



Keystone Place

WORLD'S MOST LIVABLE BIG CITY

Strategy #11 Revise Key Land Use and Transportation Policies to Reflect the New Realities of the San Jose Economy

PROGRESS HIGHLIGHTS: Last 12 Months

- City Council updated its priority list of transportation projects for near-term regional funding grants to reflect economic development goals in Downtown, North San Jose, Edenvale and major retail districts.
- Worked with VTA to adopt funding strategy to support completing the BART extension to San Jose/Silicon Valley by 2016.
- Zoning and Sign Ordinance changes implemented to facilitate business activity, such as a Council-approved ordinance that allows non-residential building additions under 5,000 sq. ft. without a public hearing.
- Modified Industrial Zoning Code provisions allowing full range of office and commercial support uses in "Industrial Park" districts.
- Created and implemented the Architectural Review Committee (ARC) for Downtown mid/high-rise development permits, which has significantly streamlined the development review process.

CAPACITY IN PLANNED GROWTH AREAS		
Area	Housing Units	Jobs
Downtown (New)	(10,000)	(30,000)
North San Jose (New)	32,000 (24,700)	83,000 (68,000)
Transit Corridors	20,000	15,000
TOTAL	62,000 155,000 Residents	128,000 Jobs
2030 Growth Projections	355,000 Residents	240,000 Jobs

MAJOR ACCOMPLISHMENTS: Last Three Years

- Approved the updated Citywide Level-of-Service Policy in June 2005 to enable more walkable, higher-density environments along transit corridors and in special mixed-use districts.
- Approved the North San Jose Area Development Policy in June 2005 to transform North San Jose from an outmoded industrial center into a mixed-use, moderate-density innovation district.
- Approved the updated Downtown Strategy Plan in June 2005 and certified a master Environmental Impact Report.

FUTURE ISSUES AND PRIORITIES

- Initiating the General Plan Update, furthering alignment of city land use policies with the changing economy
- Creating and implementing a plan to proceed with development in North San Jose, in accordance with the North San Jose Area Development Policy Update
- Completing residential transit-oriented development guidelines to improve certainty in design review of new housing in locations near existing neighborhoods
- Developing a coordinating strategy to respond to the declining condition of the City's transportation infrastructure and lack of sufficient public investment

WORLD'S MOST LIVABLE BIG CITY

Strategy #12 Encourage Sporting Teams, Events, and Facilities, Professional as well as Amateur

PROGRESS HIGHLIGHTS: Last 12 Months

- Facilitated conversations between the Oakland Athletics organization and San Jose State about bringing Major League Soccer team to San Jose.
- Hosted the inaugural Amgen Tour of California and inaugural Rock N' Roll Half Marathon.
- Hosted the NBC Dew Action Sports Tour, Pac-10 Women's Basketball Tournament, California Divisional Wrestling Championships, and the USA Judo College and High School Championships.
- Facilitated the second annual San Jose Grand Prix, including main road course and off-track improvements that enhanced racing activity and fan experience.
- Selected to host the 2007 National Gymnastics Championships and the NCAA Regional Men's Basketball Finals.

MAJOR ACCOMPLISHMENTS: Last Three Years

- Logitech Ice was expanded to four rinks.
- Sports Facilities Task Force completed an analysis of the opportunities for locating in San Jose for a team/s from Major League Baseball, National Football League, National Basketball Association, and Major League Soccer.
- Initiated discussion with San Jose State about joint development of the South Campus area for collegiate, intramural, resident, and professional sports and recreation.

FUTURE ISSUES AND PRIORITIES

- Completing EIR for potential ball park site in the Diridon Station area and initial property acquisitions.
- Initiation of the San Jose Cycling Classic
- Maintaining the HP Pavilion as one of the premier entertainment and sports facilities in America
- Returning Major League Soccer to San Jose, and preparing for other Major League sports opportunities
- Helping San Jose State University to become one of the City's "sports franchises"



Amgen Tour of California

WORLD'S MOST LIVABLE BIG CITY

Strategy #13 Develop Retail to Full Potential, Maximizing Revenue Impact and Neighborhood Livability

PROGRESS HIGHLIGHTS: Last 12 Months

- The Plaza de San Jose at Story and King Roads and the San Jose Market Center at Coleman and Taylor opened, adding a combined total of more than 550,000 square feet of retail space in two under-served areas of the city.
- Groundbreaking for new Costco on Hostetter and relocation of Mervyn's from King and Story to Quimby and White.
- Assisted with the Japantown Corp Yard community process to better define the retail component of the mixed-use project, and to explore opportunities for enhanced vitality in the larger retail context along Jackson and 6th Streets.
- Encouraged 30 new businesses to open in neighborhood districts.
- Completed General Plan amendment to allow 560,000 square feet of new retail at the GE Plant property at Curtner and Monterey.



Plaza de San Jose

MAJOR ACCOMPLISHMENTS

- Expanded Downtown Retail Program to ten neighborhood areas and encouraged 34 new neighborhood businesses to open.
- Assisted with renovation of Oakridge Shopping Mall, next phase of Santana Row, renovation of Eastridge Shopping Mall, and Kohl's entry to San Jose market.
- Yielded approximately \$2.3 million for General Fund through efforts to capture sales and use tax from large corporate purchases.
- Approved development of 460,000 square feet of retail in Hitachi's redesigned Cottle Road campus area and an additional 400,000 square feet of retail on the adjacent Istar property.

FUTURE ISSUES AND PRIORITIES

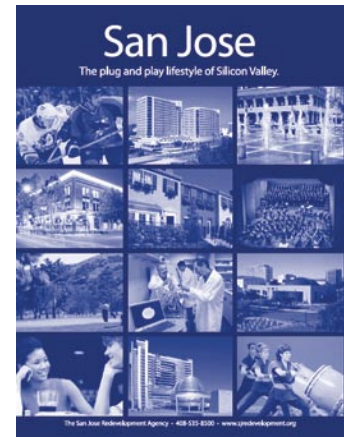
- Utilizing catalyst neighborhood projects to energize further development, building rehabilitation, and re-tenanting along several stand-out neighborhood main street corridors
- Changing perceptions of retailers and brokers to promote demographic strengths of each of the 10 emerging retail areas to reduce the City's retail sales deficit
- Implementing an Auto Row Strategy to retain and attract dealerships

CAPITAL OF SILICON VALLEY

Strategy #14 Communicate a Compelling, Consistent Community Identity for San Jose

PROGRESS HIGHLIGHTS: Last 12 Months

- OED recruited an experienced professional for a full-time position to communicate San Jose's major accomplishments and develop messages to differentiate the City on the global stage and build the San Jose "brand."
- Led an interdepartmental team to develop and implement the San Jose "Verb" campaign, to visually communicate the vibrancy of the City.
- Heightened awareness of key San Jose messages in signature event promotions such as the Amgen Tour of California, the International Economic Development Council's Tech-Led Conference, the San Jose Rock 'n' Roll Half Marathon, the San Jose Grand Prix and ZeroOne San Jose: A Global Festival of Art on the Edge.
- Funded and managed an advertorial campaign and radio broadcasts to position San Jose locally, nationally and internationally as the #1 community of innovators in the world.



Hemisphere advertisement

MAJOR ACCOMPLISHMENTS: Last Three Years

- Developed common communication message about Downtown San Jose as Silicon Valley's Creative Urban Center.
- Partnered to produce special sections in United Airlines' in-flight *Hemisphere* magazine and *Business Week* that positioned San Jose as a global epicenter for innovation.
- Received national and international media exposure through San Jose Grand Prix, ZeroOne and the new City Hall.
- Conducted regional marketing campaign "Turning Innovation Into Industry" for San Jose Industrial Areas.

FUTURE ISSUES AND PRIORITIES

- Building regional, national and international recognition of the City of San Jose as one of the world's most important, dynamic and livable cities
- Developing a compelling core message to be used across the city organization and by other community partners
- Gain positive, high-profile coverage and endorsements in top-tier regional, national and international media



CAPITAL OF SILICON VALLEY

Strategy #15 Engage Private Sector Leadership for San Jose's Economic Strategy

PROGRESS HIGHLIGHTS: Last 12 Months

- Managed City Council business appreciation commendations for 10 San Jose companies, including Clinimetrics, MAI Industries, Lockheed Martin, LynuxWorks, SunPower, Pivot Interiors, IBM and Integrated Device Technology.
- Leveraged San Jose events to expose senior executives to Downtown and to San Jose leaders.
- Conducted new business appreciation outreach efforts to 40 Downtown businesses and 20 businesses in the International Business Park.
- Raised sponsorship funding from 16 local companies for the ZeroOne San Jose Festival, which brought national and international media attention to San Jose as North America's new media center.
- Assisted 1st ACT Silicon Valley (regional private-public body) in incorporating existing Downtown planning efforts into its positioning of Downtown San Jose as "Silicon Valley's City Center."



San Jose Semaphore, a public art commission by artist Ben Rubin

MAJOR ACCOMPLISHMENTS: Last Three Years

- Launched the Business Appreciation Initiative to link senior leaders at 100 key employers to a senior account manager at City Hall.
- Initiated Council Recognition of San Jose companies.
- Opened communication with venture capitalists to promote the City's advantages as a location for start-ups.



City Council commendation for LynuxWorks

HIGHLIGHTS OF FUTURE ISSUES AND PRIORITIES

- Expanding Business Appreciation activities as a major expansion and retention effort
- Creating new avenues for more companies and senior executives to participate in high-priority city initiatives
- Engaging major employers and developers to create destination-quality art in Downtown and North San Jose

IMPLEMENTATION PRINCIPLES

When implementing and refining this strategy over time, City leadership and staff should remember the following principles:

Perspective we have...

- Economic development is a *Citywide business*.
- Economic development and quality of life are *interdependent priorities*.
- *Employers are customers*, just like residents.
- Each City staff member is an *Ambassador* for the entire City.

What we do...

- Support efforts of private-sector employers to *increase productivity*—to add more value to reduce costs.
- Create unique *competitive advantages* for San Jose.

How we do it...

- *Be in relationship* with San Jose industries for ongoing learning.
- *Collaborate* within and outside the City organization to address shared challenges and access expertise and resources.
- Be *speedy, agile, and adaptable*.
- Focus on a few priority actions, and finish what you start.
- *Be open* to new opportunities that emerge aligned with our economic visions.

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